Presented to the Court by the foreman of the Grand Jury in open Court, in the presence of the Grand Jury and FILED in the U.S. DISTRICT COURT at Seattle, Washington.

April 5 2017
WILLIAM M. McCOOL, Clerk
By ______ Deputy

UNITED STATES DISTRICT COURT FOR THE
WESTERN DISTRICT OF WASHINGTON
AT SEATTLE

UNITED STATES OF AMERICA,
Plaintiff,
v.
DANIEL NIX,
Defendant.

NO. CR17-105RSL

INDICTMENT

The Grand Jury charges that:

GENERAL ALLEGATIONS

At all times relevant to this Indictment:

1. DANIEL NIX was a resident of the Western District of Washington.

2. NIX owned and operated Dannix Design, a for-profit interior design business located in Kirkland, Washington that specialized in providing design services for medical offices.

3. The Internal Revenue Service was the agency of the United States Department of Treasury responsible for administering and enforcing the tax laws of the United States.

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COUNT 1
(Evasion of Payment of Taxes)

4. The General Allegations are incorporated as if fully set forth herein.

5. Beginning no later than November 2006, and continuing up to November 2013, in the Western District of Washington, DANIEL NIX, did willfully attempt to evade and defeat the payment of income tax due and owing to the United States for the calendar year 1998, in the amount of approximately $39,154, by committing the following acts:

a. Establishing, or instructing others acting on his behalf to establish, corporation soles to function as nominee entities, including Sunset Outreach, Radiant Light2, Spectrum Outreach, and Universal Relief Outreach;

b. Concealing and attempting to conceal ownership in his personal residence and other property by placing the property in the name of a nominee entity;

c. Concealing and attempting to conceal business receipts payable to Dannix Design, and subject to taxation as his personal income, by depositing those receipts in bank accounts held in the names of others, including nominee entities;

d. Presenting fictitious monetary instruments and documents to the Internal Revenue Service in an attempt to fully or partially satisfy for his outstanding federal income tax liability;

e. Filing, or causing to be filed, a frivolous petition in federal court seeking to restrain Internal Revenue Agents from attempting to collect federal income taxes due and owing by the Defendant;

f. Filing, or causing to filed on his behalf, a frivolous petition in federal bankruptcy court seeking relief and protection under Chapter 13 of the United States Bankruptcy Code;

g. Conspiring to submit or cause to be submitted on his behalf, false and fraudulent claims seeking to collect a federal income tax refund to offset his personal federal income tax deficiency;

All in violation of Title 26, United States Code, Section 7201.

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COUNT 2
(Evasion of Payment of Taxes)

6. The General Allegations are incorporated as if fully set forth herein.

7. Beginning no later than November 2006, and continuing up to November 2013, in the Western District of Washington, DANIEL NIX, did willfully attempt to evade and defeat the payment of income tax due and owing to the United States for the calendar year 2000, in the amount of approximately $26,374, by committing the following acts:

a. Establishing, or instructing others acting on his behalf to establish, corporation soles to function as nominee entities, including Sunset Outreach, Radiant Light2, Spectrum Outreach, and Universal Relief Outreach;

b. Concealing and attempting to conceal ownership in his personal residence and other property by placing the property in the name of a nominee entity;

c. Concealing and attempting to conceal business receipts payable to Dannix Design, and subject to taxation as his personal income, by depositing those receipts in bank accounts held in the names of others, including nominee entities;

d. Presenting fictitious monetary instruments and documents to the Internal Revenue Service in an attempt to fully or partially satisfy for his outstanding federal income tax liability;

e. Filing, or causing to be filed, a frivolous petition in federal court seeking to restrain Internal Revenue Agents from attempting to collect federal income taxes due and owing by the Defendant;

f. Filing, or causing to filed on his behalf, a frivolous petition in federal bankruptcy court seeking relief and protection under Chapter 13 of the United States Bankruptcy Code;

g. Conspiring to submit or cause to be submitted on his behalf, false and fraudulent claims seeking to collect a federal income tax refund to offset his personal federal income tax deficiency;

All in violation of Title 26, United States Code, Section 7201.

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COUNT 3
(Evasion of Payment of Taxes)

8. The General Allegations are incorporated as if fully set forth herein.

9. Beginning no later than November 2006, and continuing up to November 2013, in the Western District of Washington, DANIEL NIX, did willfully attempt to evade and defeat the payment of income tax due and owing to the United States for the calendar year 2001, in the amount of approximately $33,357, by committing the following acts:

a. Establishing, or instructing others acting on his behalf to establish, corporation soles to function as nominee entities, including Sunset Outreach, Radiant Light2, Spectrum Outreach, and Universal Relief Outreach;

b. Concealing and attempting to conceal ownership in his personal residence and other property by placing the property in the name of a nominee entity;

c. Concealing and attempting to conceal business receipts payable to Dannix Design, and subject to taxation as his personal income, by depositing those receipts in bank accounts held in the names of others, including nominee entities;

d. Presenting fictitious monetary instruments and documents to the Internal Revenue Service in an attempt to fully or partially satisfy for his outstanding federal income tax liability;

e. Filing, or causing to be filed, a frivolous petition in federal court seeking to restrain Internal Revenue Agents from attempting to collect federal income taxes due and owing by the Defendant;

f. Filing, or causing to filed on his behalf, a frivolous petition in federal bankruptcy court seeking relief and protection under Chapter 13 of the United States Bankruptcy Code;

g. Conspiring to submit or cause to be submitted on his behalf, false and fraudulent claims seeking to collect a federal income tax refund to offset his personal federal income tax deficiency;

All in violation of Title 26, United States Code, Section 7201.

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COUNT 4
(Evasion of Payment of Taxes)

10. The General Allegations are incorporated as if fully set forth herein.

11. Beginning no later than November 2006, and continuing up to November 2013, in the Western District of Washington, DANIEL NIX, did willfully attempt to evade and defeat the payment of income tax due and owing to the United States for the calendar year 2002, in the amount of approximately $39,575, by committing the following acts:

a. Establishing, or instructing others acting on his behalf to establish, corporation soles to function as nominee entities, including Sunset Outreach, Radiant Light2, Spectrum Outreach, and Universal Relief Outreach;

b. Concealing and attempting to conceal ownership in his personal residence and other property by placing the property in the name of a nominee entity;

c. Concealing and attempting to conceal business receipts payable to Dannix Design, and subject to taxation as his personal income, by depositing those receipts in bank accounts held in the names of others, including nominee entities;

d. Presenting fictitious monetary instruments and documents to the Internal Revenue Service in an attempt to fully or partially satisfy for his outstanding federal income tax liability;

e. Filing, or causing to be filed, a frivolous petition in federal court seeking to restrain Internal Revenue Agents from attempting to collect federal income taxes due and owing by the Defendant;

f. Filing, or causing to filed on his behalf, a frivolous petition in federal bankruptcy court seeking relief and protection under Chapter 13 of the United States Bankruptcy Code;

g. Conspiring to submit or cause to be submitted on his behalf, false and fraudulent claims seeking to collect a federal income tax refund to offset his personal federal income tax deficiency;

All in violation of Title 26, United States Code, Section 7201.

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COUNT 5
(Evasion of Payment of Taxes)

12. The General Allegations are incorporated as if fully set forth herein.

13. Beginning no later than November 2006, and continuing up to November 2013, in the Western District of Washington, DANIEL NIX, did willfully attempt to evade and defeat the payment of income tax due and owing to the United States for the calendar year 2003, in the amount of approximately $31,033, by committing the following acts:

a. Establishing, or instructing others acting on his behalf to establish, corporation soles to function as nominee entities, including Sunset Outreach, Radiant Light2, Spectrum Outreach, and Universal Relief Outreach;

b. Concealing and attempting to conceal ownership in his personal residence and other property by placing the property in the name of a nominee entity;

c. Concealing and attempting to conceal business receipts payable to Dannix Design, and subject to taxation as his personal income, by depositing those receipts in bank accounts held in the names of others, including nominee entities;

d. Presenting fictitious monetary instruments and documents to the Internal Revenue Service in an attempt to fully or partially satisfy for his outstanding federal income tax liability;

e. Filing, or causing to be filed, a frivolous petition in federal court seeking to restrain Internal Revenue Agents from attempting to collect federal income taxes due and owing by the Defendant;

f. Filing, or causing to filed on his behalf, a frivolous petition in federal bankruptcy court seeking relief and protection under Chapter 13 of the United States Bankruptcy Code;

g. Conspiring to submit or cause to be submitted on his behalf, false and fraudulent claims seeking to collect a federal income tax refund to offset his personal federal income tax deficiency;

All in violation of Title 26, United States Code, Section 7201.

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COUNT 6
(Evasion of Payment of Taxes)

14. The General Allegations are incorporated as if fully set forth herein.

15. Beginning no later than November 2006, and continuing up to November 2013, in the Western District of Washington, DANIEL NIX, did willfully attempt to evade and defeat the payment of income tax due and owing to the United States for the calendar year 2004, in the amount of approximately $49,344, by committing the following acts:

a. Establishing, or instructing others acting on his behalf to establish, corporation soles to function as nominee entities, including Sunset Outreach, Radiant Light2, Spectrum Outreach, and Universal Relief Outreach;

b. Concealing and attempting to conceal ownership in his personal residence and other property by placing the property in the name of a nominee entity;

c. Concealing and attempting to conceal business receipts payable to Dannix Design, and subject to taxation as his personal income, by depositing those receipts in bank accounts held in the names of others, including nominee entities;

d. Presenting fictitious monetary instruments and documents to the Internal Revenue Service in an attempt to fully or partially satisfy for his outstanding federal income tax liability;

e. Filing, or causing to be filed, a frivolous petition in federal court seeking to restrain Internal Revenue Agents from attempting to collect federal income taxes due and owing by the Defendant;

f. Filing, or causing to filed on his behalf, a frivolous petition in federal bankruptcy court seeking relief and protection under Chapter 13 of the United States Bankruptcy Code;

g. Conspiring to submit or cause to be submitted on his behalf, false and fraudulent claims seeking to collect a federal income tax refund to offset his personal federal income tax deficiency;

All in violation of Title 26, United States Code, Section 7201.

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COUNT 7
(Evasion of Payment of Taxes)

16. The General Allegations are incorporated as if fully set forth herein.

17. Beginning no later than November 2006, and continuing up to November 2013, in the Western District of Washington, DANIEL NIX, did willfully attempt to evade and defeat the payment of income tax due and owing to the United States for the calendar year 2005, in the amount of approximately $45,422, by committing the following acts:

a. Establishing, or instructing others acting on his behalf to establish, corporation soles to function as nominee entities, including Sunset Outreach, Radiant Light2, Spectrum Outreach, and Universal Relief Outreach;

b. Concealing and attempting to conceal ownership in his personal residence and other property by placing the property in the name of a nominee entity;

c. Concealing and attempting to conceal business receipts payable to Dannix Design, and subject to taxation as his personal income, by depositing those receipts in bank accounts held in the names of others, including nominee entities;

d. Presenting fictitious monetary instruments and documents to the Internal Revenue Service in an attempt to fully or partially satisfy for his outstanding federal income tax liability;

e. Filing, or causing to be filed, a frivolous petition in federal court seeking to restrain Internal Revenue Agents from attempting to collect federal income taxes due and owing by the Defendant;

f. Filing, or causing to filed on his behalf, a frivolous petition in federal bankruptcy court seeking relief and protection under Chapter 13 of the United States Bankruptcy Code;

g. Conspiring to submit or cause to be submitted on his behalf, false and fraudulent claims seeking to collect a federal income tax refund to offset his personal federal income tax deficiency;

All in violation of Title 26, United States Code, Section 7201.

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COUNT 8
(Evasion of Payment of Taxes)

18. The General Allegations are incorporated as if fully set forth herein.

19. Beginning no later than October 2007, and continuing up to November 2013, in the Western District of Washington, DANIEL NIX, did willfully attempt to evade and defeat the payment of income tax due and owing to the United States for the calendar year 2006, in the amount of approximately $54,291, by committing the following acts:

a. Establishing, or instructing others acting on his behalf to establish, corporation soles to function as nominee entities, including Sunset Outreach, Radiant Light2, Spectrum Outreach, and Universal Relief Outreach;

b. Concealing and attempting to conceal ownership in his personal residence and other property by placing the property in the name of a nominee entity;

c. Concealing and attempting to conceal business receipts payable to Dannix Design, and subject to taxation as his personal income, by depositing those receipts in bank accounts held in the names of others, including nominee entities;

d. Presenting fictitious monetary instruments and documents to the Internal Revenue Service in an attempt to fully or partially satisfy for his outstanding federal income tax liability;

e. Filing, or causing to be filed, a frivolous petition in federal court seeking to restrain Internal Revenue Agents from attempting to collect federal income taxes due and owing by the Defendant;

f. Filing, or causing to filed on his behalf, a frivolous petition in federal bankruptcy court seeking relief and protection under Chapter 13 of the United States Bankruptcy Code;

g. Conspiring to submit or cause to be submitted on his behalf, false and fraudulent claims seeking to collect a federal income tax refund to offset his personal federal income tax deficiency;

All in violation of Title 26, United States Code, Section 7201.

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COUNT 9
(Evasion of Payment of Taxes)

20. The General Allegations are incorporated as if fully set forth herein.

21. Beginning no later than April 2008, and continuing up to November 2013, in the Western District of Washington, DANIEL NIX, did willfully attempt to evade and defeat the payment of income tax due and owing to the United States for the calendar year 2007, in the amount of approximately $25,538, by committing the following acts:

a. Establishing, or instructing others acting on his behalf to establish, corporation soles to function as nominee entities, including Sunset Outreach, Radiant Light2, Spectrum Outreach, and Universal Relief Outreach;

b. Concealing and attempting to conceal ownership in his personal residence and other property by placing the property in the name of a nominee entity;

c. Concealing and attempting to conceal business receipts payable to Dannix Design, and subject to taxation as his personal income, by depositing those receipts in bank accounts held in the names of others, including nominee entities;

d. Presenting fictitious monetary instruments and documents to the Internal Revenue Service in an attempt to fully or partially satisfy for his outstanding federal income tax liability;

e. Filing, or causing to be filed, a frivolous petition in federal court seeking to restrain Internal Revenue Agents from attempting to collect federal income taxes due and owing by the Defendant;

f. Filing, or causing to filed on his behalf, a frivolous petition in federal bankruptcy court seeking relief and protection under Chapter 13 of the United States Bankruptcy Code;

g. Conspiring to submit or cause to be submitted on his behalf, false and fraudulent claims seeking to collect a federal income tax refund to offset his personal federal income tax deficiency;

All in violation of Title 26, United States Code, Section 7201.

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COUNT 10
(Evasion of Assessment of Taxes)

22. The General Allegations are incorporated as if fully set forth herein.

23. Beginning in or about January 2010 and continuing up to April 2011, in the Western District of Washington, DANIEL NIX, who had and received taxable income in calendar year 2010, owed federal income tax to the United States upon said taxable income, and knew and believed the foregoing facts, did willfully attempt to evade and defeat the assessment of the income tax due and owing to the United States for the calendar year 2010 by committing affirmative acts of evasion, including but not limited to:

a. Filing a U.S. Individual Income Tax Return for tax year 2010 that falsely understated his total income;

b. Establishing, or instructing others acting on his behalf to establish, corporation soles to function as nominee entities, including Sunset Outreach, Radiant Light2, Spectrum Outreach, and Universal Relief Outreach;

c. Concealing and attempting to conceal business receipts payable to Dannix Design, and subject to taxation as his personal income, by depositing those receipts in bank accounts held in the names of others, including nominee entities;

All in violation of Title 26, United States Code, Section 7201.

COUNT 11
(Evasion of Assessment of Taxes)

24. The General Allegations are incorporated as if fully set forth herein.

25. Beginning in or about January 2011 and continuing up to April 2012, in the Western District of Washington, DANIEL NIX, who had and received taxable income in calendar year 2011, owed federal income tax to the United States upon said taxable income, and knew and believed the foregoing facts, did willfully attempt to evade and defeat the assessment of the income tax due and owing to the United States for the

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calendar year 2011 by committing affirmative acts of evasion, including but not limited to:

a. Filing a U.S. Individual Income Tax Return for tax year 2011 that falsely understated his total income;

b. Establishing, or instructing others acting on his behalf to establish, corporation soles to function as nominee entities, including Sunset Outreach, Radiant Light2, Spectrum Outreach, and Universal Relief Outreach;

c. Concealing and attempting to conceal business receipts payable to Dannix Design, and subject to taxation as his personal income, by depositing those receipts in bank accounts held in the names of others, including nominee entities;

All in violation of Title 26, United States Code, Section 7201.

COUNT 12
(Evasion of Assessment of Taxes)

26. The General Allegations are incorporated as if fully set forth herein.

27. Beginning in or about January 2012 and continuing up to April 2013, in the Western District of Washington, DANIEL NIX, who had and received taxable income in calendar year 2012, owed federal income tax to the United States upon said taxable income, and knew and believed the foregoing facts, did willfully attempt to evade and defeat the assessment of the income tax due and owing to the United States for the calendar year 2012 by committing affirmative acts of evasion, including but not limited to:

a. Failing to file a U.S. Individual Income Tax Return for tax year 2012 despite earning income of sufficient amount to require the filing of an individual tax return;

b. Establishing, or instructing others acting on his behalf to establish, corporation soles to function as nominee entities, including Sunset Outreach, Radiant Light2, Spectrum Outreach, and Universal Relief Outreach;

c. Concealing and attempting to conceal business receipts payable to Dannix Design, and subject to taxation as his personal income, by depositing those receipts in bank accounts held in the names of others, including nominee entities;

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All in violation of Title 26, United States Code, Section 7201.

COUNT 13
(Evasion of Assessment of Taxes)

28. The General Allegations are incorporated as if fully set forth herein.

29. Beginning in or about January 2013 and continuing up to April 2014, in the Western District of Washington, DANIEL NIX, who had and received taxable income in calendar year 2013, owed federal income tax to the United States upon said taxable income, and knew and believed the foregoing facts, did willfully attempt to evade and defeat the assessment of the income tax due and owing to the United States for the calendar year 2013 by committing affirmative acts of evasion, including but not limited to:

a. Failing to file a U.S. Individual Income Tax Return for tax year 2013 despite earning income of sufficient amount to require the filing of an individual tax return;

b. Establishing, or instructing others acting on his behalf to establish, corporation soles to function as nominee entities, including Sunset Outreach, Radiant Light2, Spectrum Outreach, and Universal Relief Outreach;

c. Concealing and attempting to conceal business receipts payable to Dannix Design, and subject to taxation as his personal income, by depositing those receipts in bank accounts held in the names of others, including nominee entities;

All in violation of Title 26, United States Code, Section 7201.

COUNTS 14-24
(Fictitious Financial Obligations)

30. The General Allegations are incorporated as if fully set forth herein.

31. On or about February 11, 2013, in the Western District of Washington and elsewhere, DANIEL NIX, with intent to defraud, passed, uttered, presented, and offered a false and fictitious document appearing, representing, purporting, and contriving through scheme or artifice, to be an actual security or other financial instrument issued under the authority of the United States by mailing or causing to be mailed to the U.S. Internal

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Revenue Service fictitious money orders in the face amount listed below as payment for federal income taxes due and owing by him, with each such entry being a separate Count of this Indictment:

COUNT	APPROX. DATE PASSED OR PRESENTED	ISSUE DATE	FACE VALUE	TITLE OF FICTITIOUS DOCUMENT
14	02/11/13	02/07/2013	$16,516.97	Money Order
15	02/11/13	02/07/2013	$188,411.62	Money Order
16	02/11/13	02/07/2013	$99,389.17	Money Order
17	02/11/13	02/07/2013	$81,803.81	Money Order
18	02/11/13	02/07/2013	$98,536.24	Money Order
19	02/11/13	02/07/2013	$94,374.66	Money Order
20	02/11/13	02/07/2013	$72,398.56	Money Order
21	02/11/13	02/07/2013	$116,591.01	Money Order
22	02/11/13	02/07/2013	$96,231.40	Money Order
23	02/11/13	02/07/2013	$97,312.99	Money Order
24	02/11/13	02/07/2013	$45,741.20	Money Order

All in violation of Title 18, United States Code, Sections 514 and 2.

COUNT 25

(Corrupt Interference with Administration of Internal Revenue Code)

32. The General Allegations are incorporated as if fully set forth herein.

33. Beginning on a date unknown to the grand jury, but no later than November 2006, and continuing to at least April 2014, in the Western District of Washington and elsewhere, DANIEL NIX corruptly endeavored to obstruct or impede the due administration of the internal revenue laws by:

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a. Filing false U.S. Individual Income Tax Returns for tax years 1997 through 2007 and tax years 2009 through 2012 that falsely understated his total income;

b. Failing to file a U.S. Individual Income Tax Returns for tax years 2008, 2012, and 2013 despite earning income of sufficient amount to require the filing of an individual tax return for each tax year;

c. Establishing, or instructing others acting on his behalf to establish, corporation soles to function as nominee entities, including Sunset Outreach, Radiant Light2, Spectrum Outreach, and Universal Relief Outreach;

d. Concealing and attempting to conceal ownership in his personal residence and other property by placing the property in the name of a nominee entity;

e. Concealing and attempting to conceal business receipts payable to Dannix Design, and subject to taxation as his personal income, by depositing those receipts in bank accounts held in the names of others, including nominee entities;

f. Presenting fictitious monetary instruments and documents to the Internal Revenue Service in an attempt to fully or partially satisfy for his outstanding federal income tax liability;

g. Filing, or causing to be filed, a frivolous petition in federal court seeking to restrain Internal Revenue Agents from attempting to collect federal income taxes due and owing by the Defendant;

h. Filing, or causing to filed on his behalf, a frivolous petition in federal bankruptcy court seeking relief and protection under Chapter 13 of the United States Bankruptcy Code; and

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i. Conspiring to submit or cause to be submitted on his behalf, false and fraudulent claims seeking to collect a federal income tax refund to offset his personal federal income tax deficiency;

All in violation of Title 26, United States Code, Section 7212(a).

A TRUE BILL:

DATED: 4.5.17

Signature of Foreperson redacted pursuant to the policy of the Judicial Conference of the United States.

FOREPERSON

ANNETTE L. HAYES
United States Attorney

JAMES D. OESTERLE
Assistant United States Attorney

SEUNGJAE LEE
Assistant United States Attorney

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